

NOTICES OF EXEMPT RULEMAKING

The Administrative Procedure Act requires the *Register* publication of the rules adopted by the state's agencies under an exemption from all or part of the Administrative Procedure Act. Some of these rules are exempted by A.R.S. §§ 41-1005 or 41-1057; other rules are exempted by other statutes; rules of the Corporation Commission are exempt from Attorney General review pursuant to a court decision as determined by the Corporation Commission.

NOTICE OF EXEMPT RULEMAKING

TITLE 2. ADMINISTRATION

CHAPTER 20. CITIZENS CLEAN ELECTIONS COMMISSION

Editor's Note: The following Notice of Exempt Rulemaking is exempt from Laws 2009, 3rd Special Session, Ch. 7, § 28. (See the text of § 28 at 15 A.A.R. 1942, November 20, 2009.)

[R10-59]

PREAMBLE

- 1. Sections Affected**

R2-20-105	<u>Rulemaking Action</u>
R2-20-113	Amend
R2-20-404	Amend
- 2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. § 16-940, et seq.
Implementing statute: A.R.S. § 16-956(C)
- 3. The effective date of the rules:**

February 28, 2008 for R2-20-105 and R2-20-404. January 8, 2010 for R2-20-113.
- 4. A list of all previous notices appearing in the *Register* addressing the exempt rule:**

Not applicable
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

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or	
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- 6. An explanation of the rule, including the agency's reasons for initiating the rule, including the statutory citation to the exemption from regular rulemaking procedures:**

R2-20-105(B). Amends existing rule to clarify requirement that all qualifying contributions, including credit card contributions, must be exactly five dollars under the statute (A.R.S. § 16-946(B)(3)). This change clarifies and

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reminds candidates that all expenses associated with processing a credit card qualifying contribution must be paid from other permitted sources.

R2-20-105(C). Amends existing rule to expressly permit candidate to sign qualifying contribution form as solicitor. This amendment clarifies that a candidate who is also the solicitor may collect the necessary qualifying contributions and complies with the requirement that the solicitor sign a sworn statement on the contribution slip under this rule. Also, amends existing rule to allow the use of the internet to collect qualifying contributions as long as an original signature is provided to the candidate on the qualifying contribution form (via mail, personal delivery or otherwise). The statute requires an original signature be provided to the Secretary of State so that, in turn, the county recorder can verify the qualifying contribution as may be required under A.R.S. § 16-950(C).

R2-20-105(E) Amends rule to delete the no-longer-accurate requirement that only 90-110 percent verification of the random sample qualifies a potential participating candidate from having all of his or her qualifying slips verified by the county recorder.

R2-20-105(G). Amends rule to delete the 90 percent floor of the requirement that the county recorder verify all slips below 110 percent.

R2-20-113(F). Amends rule to eliminate a participating candidate's ability to coordinate expenditures with a non-participating candidate in order to trigger matching funds for him or herself under A.R.S. § 16-952 of the Citizens Clean Election Act, A.R.S. §§ 16-940 et seq.

R2-20-404(A). Amends existing rule to transfer the authority for review of preliminary audit reports to the executive director from the Commissioners. This change will streamline the audit process and not waste the Commission's time reviewing and debating preliminary reports that will likely be revised prior to final acceptance by the Commission. This new process was implemented with the hope of reducing delays in completing audits while retaining the Commission's authority to review and vote on final audit reports before they are adopted and acted upon by the Commission.

7. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:

Not applicable

8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

9. The summary of the economic, small business, and consumer impact:

Not applicable

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

Changes between rules as initially proposed and as finally adopted by the Commission were primarily grammatical and stylistic. Additional changes were incorporated at the suggestion of members of the public and Commissioners to clarify terms and provisions of the rules.

11. A summary of the comments made regarding the rule and the agency response to them:

The Commissioners solicited public comment throughout the rulemaking process. Comments were generally supportive of the revised rules. Requests for clarifications and revisions and statements in support or opposition to specific provisions were duly considered by the Commission at open meetings and were acted upon as deemed appropriate.

12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

13. Incorporations by reference and their location in the rules:

Not applicable

14. Was this rule previously made as an emergency rule and, if so, whether the text was changed between making as an emergency and the making of the exempt rules?

Not applicable

15. The full text of the rules follows:

TITLE 2. ADMINISTRATION

CHAPTER 20. CITIZENS CLEAN ELECTIONS COMMISSION

Notices of Exempt Rulemaking

ARTICLE 1. GENERAL PROVISIONS

Section

R2-20-105. Certification for Funding

R2-20-113. Calculation of Equalizing Funds

ARTICLE 4. AUDITS

Section

R2-20-404. Preliminary Audit Report

ARTICLE 1. GENERAL PROVISIONS

R2-20-105. Certification for Funding

- A. After a candidate is certified as a participating candidate, pursuant to A.R.S. § 16-947, in accordance with the procedure set forth in R2-20-104, that candidate may collect qualifying contributions only during the qualifying period.
- B. A participating candidate must submit to the Secretary of State, a list of names of persons who made qualifying contributions, an application for funding prescribed by the Secretary of State, the minimum number of original reporting slips, and an amount equal to the sum of the qualifying contributions collected pursuant to A.R.S. § 16-950 no later than one week after the end of the qualifying period. Any and all expenses associated with obtaining the qualifying contributions, including credit card processing fees must be paid for from the candidate's early contributions or personal monies. A candidate may develop his or her own three-part reporting slip for qualifying contributions, or one that is photocopied or computer reproduced, if the form substantially complies with the form prescribed by the Commission. The candidate must comply with the Act and ensure that the original qualifying slip is tendered to the Secretary of State, a copy remains with the candidate, and that a copy is given to the contributor.
- C. A solicitor who seeks signatures and qualifying contributions on behalf of a participating candidate shall provide his or her residential address, typed or printed name and signature on each reporting slip. The solicitor shall also sign a sworn statement on the contribution slip avowing that the contributor signed the slip, that the contributor contributed the \$5, that based on information and belief, the contributor's name and address are correctly stated and that each contributor is a qualified elector of this state. If a contribution is received unsolicited, the candidate or contributor may sign the qualifying contribution form as the solicitor and is accountable for all of the responsibilities of a solicitor. Nothing in this rule shall prohibit the use of direct mail or the internet to obtain qualifying contributions as long as an original signature is provided on the qualifying contribution form. ~~to obtain qualifying contributions nor prohibit the contributor from also being the solicitor.~~
- D. The Secretary of State has the authority to approve or deny a candidate for Clean Elections funding, pursuant to A.R.S. § 16-950(C) based upon the verification of the qualifying contribution forms by the appropriate county recorder. The county recorder shall disqualify any qualifying contribution forms that are:
1. Unsigned by the contributor;
 2. Undated; or
 3. That the recorder is unable to verify as matching signature of a person who is registered to vote, on the date specified inside the electoral district the candidate is seeking.
- E. The Secretary of State will notify the candidate and the Commission regarding the approval or denial of Clean Elections funds. ~~If the result of the random sample is from 90 percent to 110 percent of the slips needed to qualify for funding, a~~ A candidate who is denied Clean Elections funding after all of the slips are verified is eligible to submit supplemental qualifying contribution forms for one additional opportunity to be approved for funding pursuant to subsection (G) of this rule.
- F. The amount equal to the sum of the qualifying contributions collected and tendered to the Secretary of State pursuant to A.R.S. § 16-950(B) will be deposited into the fund, and the amount tendered will not be returned to a candidate if a candidate is denied Clean Elections funding.
- G. In accordance with the procedure set forth at A.R.S. § 16-950(C), if the Secretary of State determines that the result of the five percent random sample is ~~from 90 percent to less than~~ less than 110 percent of the slips needed to qualify for funding, then the Secretary of State shall send all of the slips for verification. If the county recorder has verified all of the candidate's signature slips and there is an insufficient number of valid qualifying contribution slips to qualify the candidate for funding, the candidate may make only one supplemental filing of additional qualifying contribution slips and qualifying contributions to the Secretary of State if all of the following apply:
1. The candidate files at least the minimum number of additional slips needed to qualify for funding;
 2. The slips are not receipts for duplicate contributions from individuals who have previously contributed to that candidate; and
 3. The period for filing qualifying contributions slips has not expired.
- H. The Secretary of State shall forward facsimiles of all of the supplemental qualifying contribution slips to the appropriate county recorders for the county of the contributors' addresses as shown on the contribution slips. The county recorder shall verify all of the supplemental slips within 10 business days after receipt of the facsimiles and shall provide a report to the Secretary of State identifying as disqualified any slips that are unsigned by the contributor or undated or that the

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recorder is unable to verify as matching the signature of a person who is registered to vote, on the date specified on the slip, inside the electoral district of the office the candidate is seeking. On receipt of the report of the county recorder on all supplemental slips, the Secretary of State shall calculate the candidate's total number of valid qualifying contribution slips and shall approve or deny the candidate for funds.

I. Pursuant to A.R.S. § ~~16-956(D)~~ 16-956(F), the minimum number of qualifying contributions shall be as follows:

1. Legislature: 220
2. Mine Inspector: 550
3. Corporation Commissioner: 1,650
4. Superintendent of Public Instruction: 1,650
5. Treasurer: 1,650
6. Attorney General: 2,755
7. Secretary of State: 2,755
8. Governor: 4,410

R2-20-113. Calculation of Equalizing Funds

A. During the primary election period, the Commission shall pay any participating candidate in the same party primary of a nonparticipating candidate, the amount of the nonparticipating candidate's expenditures in excess of the amount over the primary election spending limit, not to exceed three times the original primary election spending limit, as follows:

1. The nonparticipating candidates' expenditures, made before any coordinated or joint expenditure between the participating candidate and the nonparticipating candidate, which are defined as:
 - a. Any purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made by a person for the purpose of influencing an election in this state;
 - b. A promise or agreement to make an expenditure resulting in an extension of credit; and
 - c. The value of any in-kind contribution received.
2. If an independent expenditure is made against one or more participating candidates for a single office, each participating candidate will be eligible to receive equalizing funds, if applicable, for the amount of the independent expenditure. The participating candidates who were the subject of the expenditure will be the only candidates eligible to receive the equalizing funds, if applicable, for the cost of that independent expenditure. If so required by this subsection, the Commission may issue equalizing funds based on an independent expenditure in an amount greater than the amount of such independent expenditure.
3. If an independent expenditure is made in favor of one or more nonparticipating candidates, all participating candidates in the party primary of the candidate favored by the independent expenditure will be eligible to receive equalizing funds, if applicable, for the amount of the independent expenditure. If so required by this subsection, the Commission may issue equalizing funds based on an independent expenditure in an amount greater than the amount of such independent expenditure.
4. If an independent expenditure is made in favor of a single participating candidate, all of the other participating candidates in that party primary will be eligible to receive equalizing funds, if applicable, for the cost of that independent expenditure. If so required by this subsection, the Commission may issue equalizing funds based on an independent expenditure in an amount greater than the amount of such independent expenditure.

B. During the general election period, a participating candidate who has not engaged in a joint or coordinated expenditure with the opposing nonparticipating candidate during the general election period, will receive equalizing funds when the opposing nonparticipating candidate has received in contributions to date, less the amount of expenditures the nonparticipating candidate made through the end of the primary election period, an amount that exceeds the general election spending limit. The Commission shall pay any participating candidate seeking the same office an amount equal to any excess over the general election spending limit, not to exceed three times the original general election spending limit, as follows:

1. The nonparticipating candidate's contributions include:
 - a. Surplus funds transferred from previous campaign accounts and deposited into the current campaign account;
 - b. Individual contributions;
 - c. \$25 or less contributions;
 - d. In-kind contributions;
 - e. Political committee contributions;
 - f. Personal monies;
 - g. Candidate or family loans;
 - h. Other loans; and
 - i. Contributions to retire campaign debt, irrespective of whether placed in a prior, current or future campaign account. Contributions to retire debt from the immediately preceding election cycle and received within 51 days following the general election shall be disregarded for purposes of calculating equalizing funds in the subsequent election cycle.
2. In accordance with A.R.S. § 16-952, the nonparticipating candidate's contributions shall not include offsets to contributions, including a refund of a contribution to an individual contributor or to a political committee contributor.

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3. In accordance with A.R.S. § 16-952(C)(4), when a participating candidate is opposed in the general election by an independent candidate or nonparticipating candidate who was not opposed in the party primary, expenditures made during the primary election period by the nonparticipating candidate or independent candidate will not be included in the calculation of equalizing funds.
4. If an independent expenditure is made against one or more participating candidates for a single office, each participating candidate will be eligible to receive equalizing funds, if applicable, for the amount of the independent expenditure. The participating candidates who were the subject of the expenditure will be the only candidates eligible to receive the equalizing funds, if applicable, for the cost of that independent expenditure. If so required by this subsection, the Commission may issue equalizing funds based on an independent expenditure in an amount greater than the amount of such independent expenditure.
5. If an independent expenditure is made in favor of one or more nonparticipating candidates, all participating candidates in the election(s) for the same office(s) will be eligible to receive equalizing funds, if applicable, for the amount of the independent expenditure. If so required by this subsection, the Commission may issue equalizing funds based on an independent expenditure in an amount greater than the amount of such independent expenditure.
6. If an independent expenditure is made in favor of a single participating candidate, all of the other participating candidates in the election for that office will be eligible to receive the equalizing funds, if applicable, for the cost of that independent expenditure. If so required by this subsection, the Commission may issue equalizing funds based on an independent expenditure in an amount greater than the amount of such independent expenditure.
- C. Independent expenditures made against a nonparticipating candidate during the primary or general election periods will not be considered in the calculation of equalizing funds for a participating candidate.
- D. In accordance with A.R.S. § 16-952(C)(6), during the primary and general election periods, expenditures promoting or opposing candidates for more than one office shall be allocated by the Commission among candidates for different offices based on the relative size or length and relative prominence of the reference to candidates for different offices. Equalizing funds shall be issued to each participating candidate, if applicable, in an amount equal to the proportion of the expenditure that is targeted at the office sought by such participating candidate. If so required by this rule, the Commission may issue equalizing funds based on an expenditure in an amount greater than the amount of such expenditure.
- E. The Commission shall cease to disburse equalizing funds for an election period after the Wednesday following the primary or general election day.
- F. The Commission may decline to issue equalizing funds on the basis of expenditures that the Commission determines to be of de minimis value, and shall decline to issue equalizing funds during the primary or general election period after the participating candidate and the nonparticipating candidate triggering the match made a joint campaign expenditure during that primary or general election period, on account of expenditures by or contributions to the non-participating candidate with whom the participating candidate made the joint expenditure during the period.

ARTICLE 4. AUDITS

R2-20-404. Preliminary Audit Report

- A. After the completion of fieldwork, the ~~Commission~~ auditors may prepare a written preliminary audit report, which will be provided to the candidate after it is ~~approved~~ reviewed by ~~an affirmative vote of at least three members of the Commission~~ the Executive Director. The preliminary audit report may include:
 1. An evaluation of procedures and systems employed by the candidate to comply with applicable provisions of the Act and Commission rules;
 2. The accuracy of statements and campaign finance reports filed with the Secretary of State by the candidate; and
 3. Preliminary findings.
- B. The candidate may submit in writing within 10 days after receipt of the preliminary audit report, legal and factual materials disputing or commenting on the proposed findings contained in the preliminary audit report. In addition, the candidate shall submit any additional documentation requested by the Commission.
- C. If the preliminary audit report cannot be completed, the Commission shall notify the candidate in writing that the audit report will not be completed.

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TITLE 12. NATURAL RESOURCES

CHAPTER 15. DEPARTMENT OF WATER RESOURCES

Editor's Note: The following Notice of Exempt Rulemaking is exempt from Laws 2009, 3rd Special Session, Ch. 7, § 28. (See the text of § 28 at 15 A.A.R. 1942, November 20, 2009.)

[R10-90]

PREAMBLE

1. Sections Affected

R12-15-101
R12-15-102
R12-15-103
R12-15-104
R12-15-105
R12-15-106
R12-15-107
R12-15-151
R12-15-702
R12-15-703
R12-15-704
R12-15-705
R12-15-706
R12-15-707
R12-15-708
R12-15-710
R12-15-712
R12-15-713
R12-15-714
R12-15-730
R12-15-806
R12-15-1208
R12-15-1210
R12-15-1211
R12-15-1213
R12-15-1219

Rulemaking Action

New Section
New Section
New Section
New Section
New Section
New Section
New Section
Repeal
Amend
Amend
Amend
Amend
Amend
Amend
Amend
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Amend

2. The statutory authority for the rulemaking, including both the authorizing statutes (general) and the implementing statutes (specific):

Authorizing statutes: A.R.S. §§ 45-113(B), 45-133(C), 45-183(C), 45-273(E), 45-292(B), 45-467(Q), 45-476.01(B), 45-595(C), 45-596(L), 45-599(J), 45-871.01(A), 45-1021(A)(9), 45-1041(E) 45-1204(B), 45-1603 and 45-1605(A)

Statute or session law authorizing the exemption: Laws 2010, 7th Special Session, Ch. 7, § 5

3. The effective date of the rule:

June 15, 2010

4. A list of all previous notices appearing in the Register addressing the proposed rule:

Not applicable

5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

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6. An explanation of the rule, including the agency's reasons for initiating the rule:

Purpose of Rulemaking and Background

The purpose of this rulemaking is to implement Laws 2010, 7th Special Session, Ch. 7, § 5, effective June 15, 2010 ("2010 Session Law"). The 2010 Session Law authorizes the Arizona Department of Water Resources ("ADWR") to increase fees in fiscal year 2010-2011 for services in fiscal year 2010-2011, and provides that ADWR is exempt from the rulemaking requirements in A.R.S. Title 41, Chapter 6 for the purpose of establishing the fees until July 1, 2011.

In early 2009, due to state revenue shortfalls and impending budget cuts, ADWR began exploring strategies for becoming self-funded. As part of that process, ADWR reviewed the fees it charges for processing applications and other filings (collectively "applications") to determine whether the fees are sufficient to cover ADWR's costs in processing the applications and whether ADWR's fee rules include all the application fees it is authorized by statute to establish. Through this review, ADWR determined that its application fees do not cover its application processing costs and that its fee rules do not include fees for several applications for which it has statutory authority to establish a fee.

On December 4, 2009, ADWR held a stakeholder meeting where it presented several options for becoming self-funded. One of the options was for ADWR to increase its application fees to reflect the actual cost of processing applications. This option included charging an hourly fee of \$118 for time spent by ADWR in reviewing an application. ADWR allowed stakeholders to provide written comments on the funding options for a period of 30 days after the meeting. During the 30-day comment period, ADWR received several comments on the option of increasing fees and charging an hourly fee of \$118.

A second stakeholder meeting was held on January 29, 2010, at which ADWR informed stakeholders that it had decided to proceed with the fee increase option. At that meeting, ADWR distributed a draft fee schedule showing the types of applications for which it proposed to charge an hourly fee of \$118, as well as applications for which it proposed to charge fixed fees and the amount of those fees. ADWR requested stakeholders to review the proposed fee schedule and provide input at the next stakeholder meeting on February 19, 2010.

At the February 19 meeting, ADWR received comments on the proposed fees from stakeholders. Following the meeting, ADWR made revisions to the proposed fees and drafted rule language for the fee increases. On March 5, 2010, ADWR posted the draft rule language on its web site for public review and held a fourth stakeholder meeting where it distributed the draft rule language to stakeholders. ADWR requested written comments on the draft rule language by March 19, 2010. ADWR received several written comments on the draft rule language during the comment period and it revised the language in response to comments. The revised rule language was posted on the Department's web site and presented to the stakeholders at a meeting on March 26, 2010, where additional stakeholder input was received.

After the March 26, 2010 stakeholder meeting, ADWR finalized the rule language for the fee increases. On April 1, 2010, ADWR submitted the finalized language to the Legislature as ADWR's final Fee Plan, in accordance with the requirements of the 2010 Session Law. The final Fee Plan was posted on the Department's web site on the same date. The rule language submitted to the Legislature is now being adopted through this rulemaking.

Explanation of Rules

Through this rulemaking, ADWR is repealing its existing fee rules, Sections R12-15-151 and R12-15-730, and replacing them with Sections R12-15-101 through R12-15-107 ("New Fee Rules"). Except for fees that are set by statute, the New Fee Rules establish higher fees for all applications submitted to ADWR and new fees for several applications not previously included in its fee rules. The new fees are in amounts that ADWR has determined to be sufficient to cover ADWR's costs in processing the applications. In addition to adopting the New Fee Rules, ADWR is adopting conforming amendments to several rules within 12 A.A.C. 15, Article 7 (Assured and Adequate Water Supply), Article 8 (Well Construction and Licensing of Well Drillers) and Article 12 (Dam Safety Procedures).

Under the New Fee Rules, an applicant will be charged either an hourly fee or a fixed fee. Hourly fees are charged for those applications for which the time spent by ADWR staff in reviewing applications for the same type of permit may vary significantly from one application to another, depending on factors specific to the applications. Applications that are subject to an hourly fee are listed in Section R12-15-103(B). Fixed fees are charged for those applications for which the time spent by ADWR staff in reviewing applications for the same type of permit is relatively standard, making it appropriate to charge the same fee for all applications of that type. Applications that are subject to a fixed fee are listed in Section R12-15-104(A).

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The process ADWR will use for billing hourly fees is set forth in Section R12-15-103. ADWR will calculate the fee for an application that is subject to an hourly fee by multiplying the number of review hours spent by ADWR employees in reviewing the application by an hourly rate of \$118, not to exceed the maximum fee for the application. Review hours include only the review time spent by the ADWR program staff members and technical review team members responsible for processing the application. Review hours do not include the first 60 minutes of pre-application consultation time or any time spent on the application following an appeal of ADWR's decision on the application. The maximum fees for applications subject to an hourly fee are set forth in Section R12-15-103(B). Applications determined to be complex applications were assigned a maximum fee of \$65,000.00, while non-complex applications were assigned a maximum fee of \$10,000.00.

In addition to paying either a fixed fee or an hourly fee, the New Fee Rules require an applicant to pay any review-related costs associated with the application and the actual cost of mailing or publishing any legal notice of the application or notice of a pre-decision administrative hearing on the application. Review-related costs include: (1) costs associated with a pre-decision hearing on the application, such as court reporter services and facility rentals for the hearing; and (2) mileage expenses for a site visit conducted before issuing a decision on the application.

The New Fee Rules establish several new fees, including: (1) a fee for an applicant to file a request for an extension of time to respond to a written notice of deficiencies issued within the administrative review time-frame or a written request for additional information issued within the substantive review time-frame (Section R12-15-105); and (2) a fee for ADWR's review of a dam safety inspection report (Section R12-15-106(C)). Section R12-15-107 requires the owner of an open well to pay a fee of \$300.00 if ADWR caps the well pursuant to A.R.S. § 45-594(A).

The New Fee Rules will apply only to applications filed after June 15, 2010. An application filed on or before June 15, 2010 will be subject to the application fees and costs in effect when the application was filed. However, a person with an application pending on June 15, 2010 may request ADWR to expedite its review of the application by agreeing to pay an hourly application fee as if the application was filed after June 15, 2010. ADWR will grant a request for expedited review only if certain criteria are met, including that the application would have been subject to an hourly fee if it had been filed after June 15, 2010 and ADWR determines that current workload and staffing allow it to expedite its review of the application. *See* Section R12-15-102(C).

7. **A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**
None
8. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable
9. **The summary of the economic, small business, and consumer impact:**
Not applicable
10. **A description of the changes between the proposed rules, including supplemental notices, and the final rules, (if applicable):**
Not applicable
11. **A summary of the comments made regarding the rule and the agency response to them:**
Not applicable
12. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
None
13. **Incorporations by reference and their location in the rules:**
None
14. **Was this rule previously made as an emergency rule and, if so, whether the text was changed between making as an emergency and the making of the exempt rules?**
No
15. **The full text of the rules follows:**

TITLE 12. NATURAL RESOURCES

CHAPTER 15. DEPARTMENT OF WATER RESOURCES

ARTICLE 1. FEES

Notices of Exempt Rulemaking

Section

- R12-15-101. Definitions
R12-15-102. Application Filing Fees; Request for Expedited Review of Application Filed Before Effective Date of Section
R12-15-103. Applications Subject to Hourly Fee; Amount of Fee; Initial Fee; Billing and Payment; Request for Reconsideration of Fee; Past Due Fee
R12-15-104. Applications and Filings Subject to Fixed Fee; Fixed Fee Schedule; Review-Related Costs; Costs for Legal Notices
R12-15-105. Fee for Request for Extension of Time to Submit Information for an Application
R12-15-106. Fee for Dam Safety Inspection; Fee for Review of Dam Safety Inspection Report
R12-15-107. Fee for Well Capping
R12-15-151. Fee Schedule Repealed

ARTICLE 7. ASSURED AND ADEQUATE WATER SUPPLY

Section

- R12-15-702. Physical Availability Determination
R12-15-703. Analysis of Assured Water Supply
R12-15-704. Certificate of Assured Water Supply
R12-15-705. Assignment of Type A Certificate of Assured Water Supply
R12-15-706. Assignment of Type B Certificate of Assured Water Supply
R12-15-707. Application for Classification of Type A Certificate
R12-15-708. Material Plat Change; Application for Review
R12-15-710. Designation of Assured Water Supply
R12-15-712. Analysis of Adequate Water Supply
R12-15-713. Water Report
R12-15-714. Designation of Adequate Water Supply
R12-15-730. ~~Assured and Adequate Water Supply Fees~~ Repealed

ARTICLE 8. WELL CONSTRUCTION AND LICENSING OF WELL DRILLERS

Section

- R12-15-806. License Fee; Issuance and Term of Licenses; Renewal; Display of License

ARTICLE 12. DAM SAFETY PROCEDURES

Section

- R12-15-1208. Application to Construct, Reconstruct, Repair, Enlarge, or Alter a High or Significant Hazard Potential Dam
R12-15-1210. Application to Construct, Reconstruct, Repair, Enlarge, Alter, Breach, or Remove a Low Hazard Potential Dam
R12-15-1211. Application to Construct, Reconstruct, Repair, Enlarge, Alter, Breach, or Remove a Very Low Hazard Potential Dam
R12-15-1213. Completion Documents for a Significant or High Hazard Potential Dam
R12-15-1219. Safety Inspection; Fees

ARTICLE 1. FEES

R12-15-101. Definitions

In addition to the definitions in A.R.S. §§ 45-101, 45-271, 45-402, 45-511, 45-561, 45-802.01, 45-1001, 45-1201 and R12-15-701, the following terms apply to this Article:

1. "Application" means a written request submitted by an applicant to the Department for the purpose of obtaining a permit, license or other legal authorization issued by the Department.
2. "Pre-decision administrative hearing" means an administrative hearing held on an application before the Department makes any decision on the application. A pre-decision hearing does not include an administrative hearing held on an application after a party appeals the Department's decision on the application pursuant to A.R.S. § 41-1092.03(B).
3. "Review hours" means the hours or portions of hours spent by Department employees in reviewing an application and making a decision thereon, including pre-application consultation time in excess of 60 minutes and site visit time. Only time spent by the program staff members and technical review team members responsible for processing the application shall be included as review hours. Review hours do not include the first 60 minutes of pre-application consultation time and any time spent on the application after a party appeals the Director's decision on the application pursuant to A.R.S. § 41-1092.03(B).
4. "Review-related costs" means the following costs incurred by the Department in reviewing an application:
 - a. Costs associated with a pre-decision administrative hearing on the application, including:
 - i. Court reporter services, and

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- ii. Facility rentals for the hearing.
- b. Mileage expenses for a site visit conducted before issuing a decision on the application at the rate set by the Arizona Department of Administration for state travel by motor vehicle.
- 5. "Site visit time" means time spent on an inspection conducted before issuing a decision on an application, including the time spent travelling to and from the inspection, the time spent conducting the inspection and the time spent preparing an inspection report pursuant to A.R.S. § 41-1009 following the inspection.

R12-15-102. Application Filing Fees; Request for Expedited Review of Application Filed Before Effective Date of Section

- A.** A person filing an application with the Department after June 15, 2010 shall pay an hourly application fee as provided in R12-15-103 or a fixed application fee as provided in R12-15-104, whichever applies. Fees for applications shall be paid in U.S. dollars by cash, check, cashier's check, money order, or any other method acceptable to the Department.
- B.** Except as provided in subsection (C) of this Section, a person with an application pending before the Department on June 15, 2010 shall pay the application fees and costs in effect when the application was filed.
- C.** A person with an application pending before the Department on June 15, 2010 may request an expedited review of the application by submitting a request in writing. The Department shall grant the request and expedite its review of the application if all of the following apply:
 - 1. The application would have been subject to an hourly application fee under Section R12-15-103 if it had been filed on or after the effective date of this Section.
 - 2. The Director determines that current workload and staffing allow the Department to expedite its review of the application.
 - 3. The applicant agrees to pay an hourly fee for the application under R12-15-103 for the review hours spent by the Department in reviewing the application after the date the request for expedited review was submitted, subject to the maximum fee for the application. If the Department grants the request for expedited review:
 - a. The billing and payment requirements in R12-15-103 shall apply to the application.
 - b. If the Department did not spend any review hours reviewing the application prior to the date the request was submitted, the Department shall credit to the applicant the amount of the fees paid by the applicant under the rules in effect when the application was filed.
 - 4. The Director determines that the Department can complete its review of the application within the overall time-frame for the application or the applicant agrees to waive its right to the number of time-frame days identified for the application in R12-15-401, Table A.

R12-15-103. Applications Subject to Hourly Fee; Amount of Fee; Initial Fee; Billing and Payment; Request for Reconsideration of Fee; Past Due Fee

- A.** The Department shall calculate the fee for an application listed in subsection (B) of this Section by multiplying the number of review hours for the application by an hourly rate of \$118, adjusted annually as provided in this subsection, not to exceed the maximum fee for the application specified in subsection (B) of this Section, plus any applicable review-related costs and the actual cost of mailing or publishing any legal notice of the application or notice of a pre-decision administrative hearing on the application. The Department shall adjust the hourly rate every July 1, to the nearest 10 cents per hour by multiplying \$118 by the Consumer Price Index for the most recent year, and then dividing by the Consumer Price Index for the year 2009. The Consumer Price Index for any year is the average of the Consumer Price Index for all-urban consumers published by the U.S. Department of Labor for the 12-month period ending on December 31 of that year. The Department shall post the change to the hourly rate on its web site.
- B.** A person submitting an application listed below shall pay an hourly fee for the application, not to exceed the maximum fee shown for the application:
 - 1. Wells:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>Variance from the well construction requirements</u>	<u>\$10,000.00</u>

- 2. Groundwater:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>a. Issuance, renewal or modification of groundwater withdrawal permit, other than a general industrial use permit</u>	<u>\$10,000.00</u>
<u>b. Issuance, renewal or modification of a general industrial use permit</u>	<u>\$65,000.00</u>
<u>c. Issuance of notice of authority to irrigate in an irrigation non-expansion area</u>	<u>\$10,000.00</u>
<u>d. Restoration of retired irrigation grandfathered right pursuant to A.R.S. § 45-469(O)</u>	<u>\$10,000.00</u>
<u>e. Approval of contract by a city, town or private water company to supply groundwater to another city, town or private water company pursuant to A.R.S. § 45-492(C)</u>	<u>\$10,000.00</u>
<u>f. Notice of intent to establish new service area right by a city, town or private water company</u>	<u>\$10,000.00</u>

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<u>g. Final petition to establish new service area right by a city, town or private water company</u>	<u>\$10,000.00</u>
<u>h. Extension of the service area of a city, town or private water company to furnish disproportionately large amounts of water to an industrial or other large water user pursuant to A.R.S. § 45-493(A)(2)</u>	<u>\$10,000.00</u>
<u>i. Addition and exclusion of area by an irrigation district pursuant to A.R.S. § 45-494.01</u>	<u>\$10,000.00</u>
<u>j. Delivery of groundwater by an irrigation district to an industrial user with a general industrial user permit pursuant to A.R.S. § 45-497(B)</u>	<u>\$10,000.00</u>
<u>k. Determination of historically irrigated acres or annual transportation allotment for lands in McMullen valley groundwater basin pursuant to A.R.S. § 45-552</u>	<u>\$65,000.00</u>
<u>l. Determination of volume of groundwater that can be transported from lands in Harquahala irrigation non-expansion area to an initial active management area pursuant to A.R.S. § 45-554</u>	<u>\$65,000.00</u>
<u>m. Determination of historically irrigated acres or annual transportation allotment for lands in the Big Chino sub-basin of the Verde River groundwater basin pursuant to A.R.S. § 45-555</u>	<u>\$65,000.00</u>

3. Grandfathered Rights:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>a. Type 1 non-irrigation grandfathered right for land retired from irrigation after date of designation of active management area pursuant to A.R.S. § 45-469 or 45-472</u>	<u>\$10,000.00</u>
<u>b. Revised certificate of Type 2 non-irrigation grandfathered right to reflect new or additional points of withdrawal that includes a well drilled after June 12, 1980</u>	<u>\$10,000.00</u>

4. Substitution of Acres:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>a. Substitution of flood damaged acres in an active management area or an irrigation non-expansion area</u>	<u>\$10,000.00</u>
<u>b. Substitution of acres to eliminate limiting condition impeding efficient irrigation in an active management area or an irrigation non-expansion area</u>	<u>\$10,000.00</u>
<u>c. Substitution of acres to allow irrigation with Central Arizona Project water in an active management area</u>	<u>\$10,000.00</u>

5. Lakes:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>a. Permit to fill body of water with poor quality water pursuant to A.R.S. § 45-132(C)</u>	<u>\$10,000.00</u>
<u>b. Permit for interim water use in a body of water</u>	<u>\$10,000.00</u>
<u>c. Temporary emergency permit for use of surface water or groundwater in a body of water</u>	<u>\$10,000.00</u>

6. Water Exchange:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>a. Issuance, renewal or modification of water exchange permit</u>	<u>\$65,000.00</u>
<u>b. Notice of water exchange for which approval is required pursuant to A.R.S. § 45-1052(6)(b)</u>	<u>\$10,000.00</u>

7. Water Exportation:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>Permit to transport water out of state</u>	<u>\$65,000.00</u>

8. Underground Water Storage, Savings and Replenishment:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>a. Issuance, renewal or modification of an underground storage facility permit</u>	<u>\$65,000.00</u>
<u>b. Issuance, renewal or modification of a groundwater savings facility permit</u>	<u>\$65,000.00</u>
<u>c. Issuance, renewal or modification of a water storage permit</u>	<u>\$65,000.00</u>
<u>d. Recovery well permit, including an emergency temporary recovery well permit</u>	<u>\$65,000.00</u>

9. Assured and Adequate Water Supply:

<u>Type of Application</u>	<u>Maximum Fee</u>
<u>a. Physical availability determination</u>	<u>\$65,000.00</u>
<u>b. Analysis of assured or adequate water supply</u>	<u>\$65,000.00</u>

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c. <u>Renewal of analysis of assured or adequate water supply</u>	\$10,000.00
d. <u>Certificate of assured water supply (within an active management area)</u>	\$65,000.00
e. <u>Issuance or modification of designation of assured or adequate water supply</u>	\$65,000.00
f. <u>Water report (outside an active management area)</u>	\$65,000.00
g. <u>Assignment of Type A certificate of assured water supply</u>	\$10,000.00
h. <u>Assignment of Type B certificate of assured water supply</u>	\$10,000.00
i. <u>Classification of Type A certificate of assured water supply pursuant to R12-15-707</u>	\$10,000.00
j. <u>Review of revised plat to determine whether changes are material</u>	\$10,000.00
k. <u>New certificate of assured water supply pursuant to R12-15-704(G)</u>	\$10,000.00
l. <u>Letter stating that owner is not required to obtain a certificate of assured water supply pursuant to R12-15-704(M)</u>	\$10,000.00

10. Surface Water:

<u>Type of Application</u>	<u>Maximum Fee</u>
a. <u>Permit to appropriate public water</u>	\$65,000.00
b. <u>Certificate of water right</u>	\$10,000.00
c. <u>Reservoir permit or secondary permit</u>	\$65,000.00
d. <u>Change in use of water</u>	\$65,000.00
e. <u>Severance and transfer of water right</u>	\$65,000.00
f. <u>Request for extension of time to complete construction</u>	\$10,000.00

- C.** A person filing an application that is subject to an hourly fee shall submit a \$2,000.00 initial fee at the time the application is submitted to the Department. If requested by the applicant, the Department may set a lower initial fee if the Department estimates that the total application fee will be less than \$2,000.00. The Department shall not accept an application for which an initial fee is required under this subsection unless the initial fee is included with the application.
- D.** The Department shall bill the applicant for processing the application no more than monthly, but at least quarterly. Each bill shall contain the following information for the billing period:
1. The number of review hours accrued by employee position type by activity and subactivity code during the billing period, the date of each activity, a description of each activity and the effective hourly rate for all activities;
 2. A description and amount of each review-related cost incurred for the application;
 3. A description and amount of the cost of mailing or publishing any legal notice of the application or notice of a pre-decision administrative hearing on the application; and
 4. The total fees paid to date, the total fees due for the billing period, the date when the fees are payable, which shall be at least 35 days after the date of the bill, and the maximum fee for the application.
- E.** A bill for hourly fees becomes past due if the applicant does not pay the bill in full by the due date specified in the bill, unless the applicant submits a timely request for reconsideration of the bill pursuant to subsection (G) of this Section. If the applicant submits a timely request for reconsideration of the bill, the bill becomes past due if the applicant does not pay the amount due under the Director's decision on the request by the date specified in the decision. If a bill for hourly fees becomes past due, the following shall apply:
1. The applicable review time-frame shall be suspended from the date the bill became past due until the applicant pays the bill in full or the application is denied under subsection (E)(2) of this Section, whichever applies.
 2. The Department shall suspend its review of the application and send a written notice to the applicant that the bill is past due. If the applicant does not pay the outstanding bill by the date specified in the notice, which shall be at least 35 days from the date of the notice, the application shall be denied.
- F.** After the Department makes a determination whether to grant or deny the application, or when an applicant withdraws the application, the Department shall prepare and send to the applicant a final itemized billing statement for the application fee.
1. If the total fee exceeds the amount of the initial fee paid plus all other payments made to date, the applicant shall pay the balance, up to the maximum fee for the application, plus any applicable review-related costs and the actual cost of mailing or publishing any legal notice of the application or notice of a pre-decision administrative hearing on the application, by the date specified in the statement, unless the applicant submits a timely request for reconsideration of the bill pursuant to subsection (G) of this Section. The statement shall specify a date, at least 35 days from the date of the statement, by which the applicant must pay the bill. If the applicant submits a timely request for reconsideration of the bill, the applicant shall pay the amount due under the Director's decision on the request by the date specified in the decision. The Department shall not release the final permit or approval until the final bill is paid in full.
 2. If the total fee is less than the initial fee plus all other payments made to date, the Department shall refund the difference to the applicant within 35 days of the date of the statement.
- G.** An applicant may seek reconsideration of a bill for hourly fees by filing a written request for reconsideration with the

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Director. The request shall specify, in detail, why the bill is in dispute and shall include any supporting documentation. The written request for reconsideration shall be delivered to the Director in person, by mail, or by facsimile on or before the payment due date. The Director shall make a final decision on the request for reconsideration of the bill and mail a final written decision to the person within 20 business days after the date the Director receives the written request. The decision shall specify a date, at least 35 days from the date of the decision, by which the applicant must pay the bill. The Director may reduce the amount of any fees billed under this Section if the Director determines that the number of review hours or review-related costs billed to the applicant was incorrect or that time spent by the Department to review the application and make a decision thereon was not necessary or advisable.

- H.** If a person receives a bill under this Section and the bill becomes past due under subsection (E) or (F) of this Section, the Department shall not accept for filing any other application by that person until the person pays the past due amount in full.

R12-15-104. Applications and Filings Subject to Fixed Fee; Fixed Fee Schedule; Review-Related Costs; Costs for Legal Notices

- A.** The Department shall not accept or take action on the following applications and filings unless the fee shown for the application or filing is paid at the time the application or filing is submitted:

1. Wells:

<u>Type of Application</u>	<u>Fee</u>
a. <u>Late registration of well</u>	<u>\$120.00</u>
b. <u>Well driller's license</u>	<u>\$50.00</u>
c. <u>Re-issuance or renewal of well driller's license</u>	<u>\$50.00</u>
d. <u>Re-activation of expired well driller's license</u>	<u>\$50.00</u>
e. <u>Well assignment</u>	<u>\$120.00 per well</u>
f. <u>Notice of intention to abandon a well</u>	<u>\$150.00</u>
g. <u>Notice of intention to drill a well other than a well described in subsection (A)(1)(h) of this Section</u>	<u>\$150.00</u>
h. <u>Notice of intention to drill a well that will not be located in an active management area or irrigation non-expansion area, that will be used solely for domestic purposes and that will have a pump with a maximum capacity of not more than 35 gallons per minute</u>	<u>\$100.00</u>
i. <u>Re-issuance of drill card</u>	<u>\$120.00</u>
j. <u>Permit to drill non-exempt well in an active management area</u>	<u>\$150.00 application fee plus \$30.00 permit fee</u>

2. Groundwater:

<u>Type of Application</u>	<u>Fee</u>
a. <u>Conveyance of farm's flexibility account balance</u>	<u>\$250.00</u>
b. <u>Conveyance of notice of authority to irrigate in an irrigation non-expansion area</u>	<u>\$500.00</u>
c. <u>Conveyance of groundwater withdrawal permit</u>	<u>\$500.00</u>

3. Grandfathered rights:

<u>Type of Application</u>	<u>Fee</u>
a. <u>Late application for certificate of grandfathered right</u>	<u>\$100.00</u>
b. <u>Conveyance of certificate of grandfathered right</u>	<u>\$500.00</u>
c. <u>Revised certificate of Type 2 non-irrigation grandfathered right to reflect new or additional points of withdrawal that do not include a well drilled after June 12, 1980</u>	<u>\$250.00</u>
d. <u>Approval of development plan to retire irrigation grandfathered right for a Type 1 non-irrigation grandfathered right</u>	<u>\$500.00</u>

4. Underground Water Storage, Savings and Replenishment:

<u>Type of Application</u>	<u>Fee</u>
a. <u>Conveyance of storage facility permit</u>	<u>\$500.00</u>
b. <u>Conveyance of water storage permit</u>	<u>\$500.00</u>
c. <u>Assignment of long-term storage credits</u>	<u>\$250.00</u>

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5. Assured water supply:

<u>Type of Application</u>	<u>Fee</u>
a. <u>Extinguishment of grandfathered right for extinguishment credits</u>	<u>\$250.00</u>
b. <u>Conveyance of extinguishment credits</u>	<u>\$250.00</u>

6. Surface Water:

<u>Type of Application or Filing</u>	<u>Fee</u>
a. <u>Re-issuance of surface water permit or certificate</u>	<u>\$120.00</u>
b. <u>Claim of water right for a stockpond</u>	<u>\$10.00</u>
c. <u>Statement of claim for a water right</u>	<u>\$5.00</u>
d. <u>Assignment of application, permit, certificate or statement of claim</u>	<u>\$500.00</u>
e. <u>Certification of water right for a stockpond</u>	<u>\$120.00</u>

7. Dams:

<u>Type of Application</u>	<u>Fee</u>
<u>Approval of plans for construction, enlargement, repair, alteration or removal of dam</u>	<u>2% of the total project cost</u>

8. Water Exchange:

<u>Type of Application</u>	<u>Fee</u>
<u>Notice of water exchange that does not require approval pursuant to A.R.S. § 45-1052(6)(B)</u>	<u>\$500.00</u>

9. Weather Modification:

<u>Type of Application</u>	<u>Fee</u>
a. <u>License for weather control or cloud modification</u>	<u>\$100.00</u>
b. <u>Equipment license for weather control or cloud modification</u>	<u>\$10.00</u>

- B.** In addition to the application or filing fee listed in subsection (A) of this Section, an applicant shall pay any applicable review-related costs and the actual cost of mailing or publishing any legal notice of the application or notice of a pre-decision administrative hearing on the application.

R12-15-105. Fee for Request for Extension of Time to Submit Information for an Application

An applicant who requests an extension of the time to submit information in response to a written notification of deficiencies within the administrative completeness time-frame or a written request for additional information within the substantive review time-frame shall include with the request a fee of \$250.00. A request for an extension of time shall not be accepted unless the fee is paid in full.

R12-15-106. Fee for Dam Safety Inspection; Fee for Review of Dam Safety Inspection Report

- A.** The owner of a dam shall pay a fee for the Department's dam safety inspection pursuant to R12-15-1219(A). The fee shall be based on the total crest length of the dam plus appurtenant embankments and saddle dikes, as follows:

<u>Length (feet)</u>	<u>Fee</u>
<u>0 - 500</u>	<u>\$2,000.00</u>
<u>501 - 1,000</u>	<u>\$2,200.00</u>
<u>1,001 - 2,000</u>	<u>\$2,400.00</u>
<u>2,001 - 4,000</u>	<u>\$2,600.00</u>
<u>4,001 - 8,000</u>	<u>\$3,000.00</u>
<u>8,001 - 16,000</u>	<u>\$3,400.00</u>
<u>16,001 - 32,000</u>	<u>\$3,800.00</u>
<u>More than 32,001</u>	<u>\$4,200.00</u>

- B.** After conducting a dam safety inspection pursuant to R12-15-1219(A), the Director shall send to the dam owner a bill for the fee required by subsection (A) of this Section. The dam owner shall pay the fee by the date specified in the bill, which shall be at least 35 days from the date of the bill. Failure by a dam owner to pay a fee required by subsection (A) of this Section shall be considered a violation of R12-15-1219.
- C.** The owner of a dam who submits a dam safety inspection report pursuant to R12-15-1219(E) shall pay a fee of \$750.00. The Department shall not accept a dam safety inspection report unless the fee is submitted with the report.

R12-15-107. Fee for Well Capping

The owner of a well that is capped by the Department pursuant to A.R.S. § 45-594(A) shall pay to the Department a fee of

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\$300.00, plus actual expenses over \$300.00. After capping an open well, the Department shall send the owner of the well a bill for the fee under this Section. The owner of the well shall pay the fee by the date specified in the bill, which shall be at least 35 days after the date of the bill.

R12-15-151. ~~Fee Schedule Repealed~~

A. The Department shall only accept or take action on an application or filing upon payment of the appropriate fee as listed below. Payment may be made by cash, check, or by entry in an existing Department fee credit account established pursuant to R12-15-152.

B. The following fees shall be paid:

1. SURFACE WATER	FEE (\$)
a. Application for permit to appropriate	
i. Less than 50 acre feet	50.00
ii. 50 acre feet or more	75.00
b. Permit to appropriate	
i. Less than 50 acre feet	25.00
ii. 50 acre feet or more	50.00
c. Claim of water right for a stockpond and application for certification	10.00
d. Certificate of water right for stockpond	30.00
e. Issue certificate of water right (except stockpond)	50.00
f. Application for severance and transfer of water right	500.00
g. Application to transport water out of state	500.00
h. Assignment	
i. Assignment of application for permit to appropriate, statement of claim, or claim of water right for a stockpond	10.00
ii. Assignment and reissuance of permit to appropriate	20.00
iii. Assignment and reissuance of certificate of water right (except stockpond)	35.00
iv. Assignment and reissuance of certificate of water right for a stockpond	20.00
2. GROUNDWATER	
a. Application for groundwater withdrawal permit, modifications and renewals (except applications for hydrologic testing and temporary dewatering permits)	150.00
b. Application for permit for hydrologic testing and temporary dewatering, modifications, and renewals	50.00
c. Groundwater withdrawal permit	50.00
d. Convey groundwater withdrawal permit (except for permits for temporary electrical energy generation, temporary dewatering, hydrologic testing, and groundwater replenishment district withdrawals)	35.00
e. Application for notice of authority to irrigate in an irrigation nonexpansion area	50.00
f. Convey or reissue notice of authority to irrigate in an irrigation nonexpansion area	35.00
3. WATER EXCHANGES	
a. Statement of water exchange contract	100.00
b. Application for water exchange permit	150.00
c. Water exchange permit	100.00
d. Renew or modify water exchange permit	100.00
e. Notice of water exchange	150.00
4. WELLS	
a. Reissue drilling card	10.00
b. Permit to drill new or replacement well	30.00
c. Registration of exempt well	No charge
d. Registration of nonexempt well	10.00
e. Late registration of any well (post 7/16/82)	10.00
f. Well assignments (single or group of wells by same owner)	10.00
g. Well driller's licenses (except single well license)	50.00
h. Reissue or renew unexpired well driller's license	10.00
i. Reactivate expired well driller's license	20.00
j. Single well license	No charge
k. Well capping	300.00
	minimum plus actual expenses over 300.00
5. GRANDFATHERED RIGHTS	
a. Application for certificate of grandfathered right	75.00

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b-	Late application for certificate of grandfathered right.....	100.00
e-	Convey or reissue certificate of grandfathered right.....	35.00
d-	Application for type 1 nonirrigation grandfathered right associated with retired irrigation 1 and.....	50.00
e-	Application to retire an irrigation grandfathered right from irrigation to nonirrigation.....	100.00
f-	Application for restoration of retired irrigation grandfathered right.....	50.00
g-	Purchase of flexibility account credit balance.....	100.00
6-	SUBSTITUTION OF ACRES	
a-	Application to substitute irregularly shaped acres in an irrigation nonexpansion area or an active management area.....	50.00
b-	Application to substitute flood-damaged acres in an irrigation nonexpansion area or an active management area.....	100.00
e-	Application to substitute CAP acres in an irrigation nonexpansion area.....	50.00
d-	Application to substitute, or to reverse substitution of, CAP acres in an active management area.....	100.00
7-	ADEQUATE AND ASSURED WATER SUPPLY	
	Applications, certificates, licenses, reports, and permits relating to assured and adequate water supply.....	The applicable fee prescribed in Article 7 of this Chapter.
8-	UNDERGROUND WATER STORAGE SAVINGS AND REPLENISHMENT PROGRAM	
a-	Application for underground storage facility permit.....	750.00
b-	Underground storage facility permit.....	500.00
e-	Convey underground storage facility permit.....	300.00
d-	Application for groundwater savings facility permit.....	500.00
e-	Groundwater savings facility permit.....	350.00
f-	Convey groundwater savings facility permit.....	300.00
g-	Application for water storage permit.....	250.00
h-	Water storage permit.....	100.00
i-	Convey water storage permit.....	300.00
j-	Application for recovery well permit	
i-	First 10 wells.....	50/well
ii-	Over 10 wells.....	10/well
k-	Recovery well permit	
i-	First 10 wells.....	50/well
ii-	Over 10 wells.....	10/well
9-	CERTIFICATES OF GROUNDWATER OVERSUPPLY	
a-	Application for certificate of groundwater oversupply.....	150.00
b-	Certificate of groundwater oversupply.....	50.00
10-	LAKES	
a-	Application for permit to fill or refill a body of water	
i-	Poor quality groundwater.....	150.00
ii-	Interim.....	50.00
b-	Permit to fill or refill a body of water	
i-	Poor quality groundwater.....	75.00
ii-	Interim.....	30.00
e-	Application for determination of substantial capital investment to fill or refill a body of water.....	50.00
d-	Application and permit for temporary emergency use of water to fill a body of water.....	50.00
11-	SAFETY OF DAMS	
a-	Application for review.....	No charge
b-	Application filing fee - review of plans and studies based upon dam cost	
i-	First \$100,000.....	2.0%
ii-	Next \$400,000.....	1.5%
iii-	Next \$500,000.....	1.0%
iv-	Remainder over \$1,000,000.....	.5%
e-	Safety Inspections	
i-	Per inspection.....	100.00
ii-	Plus, per foot of height.....	2.00

Notices of Exempt Rulemaking

12. WEATHER MODIFICATION

- a. Application for weather modification license100.00
- b. License to manufacture or sell weather modification equipment10.00

13. COPIES

- a. Photocopies25/page
- b. Microfiche copies30/page
- c. Computer reports:-
 - i. First page of report15.00
 - ii. Additional page25 each
- d. Certified copies2.75/page

C. In addition to the fees listed above, the applicant shall pay the Department the actual cost of mailing and/or publishing any legal notice required by statute.

ARTICLE 7. ASSURED AND ADEQUATE WATER SUPPLY

R12-15-702. Physical Availability Determination

A. A person may apply for a physical availability determination by submitting an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C), and providing the following information with the application:

- 1. No change
- 2. No change
- 3. No change

B. No change

C. No change

- 1. No change
- 2. No change

D. No change

E. No change

F. No change

R12-15-703. Analysis of Assured Water Supply

A. No change

B. An applicant for an analysis shall submit an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C), and attach the following:

- 1. No change
- 2. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change
- 3. No change

C. No change

D. No change

E. No change

- 1. No change
- 2. No change
- 3. No change
- 4. No change
- 5. No change
- 6. No change

F. No change

- 1. No change
- 2. No change

G. No change

H. No change

- 1. No change
- 2. No change
- 3. No change

I. No change

J. No change

Notices of Exempt Rulemaking

R12-15-704. Certificate of Assured Water Supply

- A.** No change
- B.** An applicant for a certificate shall submit an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C) and provide the following:
 - 1. No change
 - a. No change
 - i. No change
 - ii. No change
 - b. No change
 - c. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
- C.** No change
- D.** No change
- E.** No change
 - 1. No change
 - 2. No change
 - 3. No change
- F.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
 - 7. No change
- G.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
- H.** No change
 - 1. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change
 - e. No change
 - f. No change
 - 2. No change
- I.** No change
- J.** No change
 - 1. No change
 - 2. No change
 - 3. No change
- K.** No change
 - 1. No change
 - 2. No change
 - 3. No change
- L.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change

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- M. No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change

R12-15-705. Assignment of Type A Certificate of Assured Water Supply

- A. The certificate holder of a Type A certificate and the assignee may apply for approval of an assignment of the Type A certificate within the time allowed by A.R.S. § 45-579(A). The assignee may file the application if there is no certificate holder. The application shall be submitted on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C), and the applicant shall provide the following:
 - 1. No change
 - a. No change
 - b. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - a. No change
 - b. No change
- B. No change
- C. No change
- D. No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
- E. No change
- F. No change

R12-15-706. Assignment of Type B Certificate of Assured Water Supply

- A. The certificate holder of a Type B certificate or a certificate issued before the effective date of this Section that has not been classified pursuant to R12-15-707 and the assignee may apply for approval of an assignment of the certificate to another person within the time allowed by A.R.S. § 45-579(A). The assignee may file the application if there is no certificate holder. The application shall be submitted on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C), and the applicant shall provide the following:
 - 1. No change
 - a. No change
 - b. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
 - 7. No change
 - 8. No change
 - 9. No change
- B. No change
- C. No change
- D. No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
 - 7. No change
 - 8. No change
- E. No change
- F. No change

Notices of Exempt Rulemaking

G. No change

R12-15-707. Application for Classification of a Type A Certificate

A. A holder of a Type B certificate or a certificate issued before the effective date of this Section may apply to the Director to classify the certificate as a Type A certificate by submitting an application on a form prescribed by the Director with the initial fee prescribed in ~~R12-15-730~~ R12-15-103(C) and attaching evidence that the certificate meets the requirements of R12-15-704(H)(1).

B. No change

C. No change

R-12-15-708. Material Plat Change; Application for Review

A. No change

B. No change

1. No change

2. No change

3. No change

C. No change

1. No change

a. No change

b. No change

c. No change

2. No change

a. No change

b. No change

c. No change

i. No change

ii. No change

iii. No change

3. No change

a. No change

b. No change

c. No change

d. No change

D. No change

1. No change

2. No change

3. No change

E. A person may apply for a review of a revised plat to determine whether any changes to the plat are material as follows:

1. The applicant shall submit an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C) and shall attach the revised plat.

2. No change

3. No change

R12-15-710. Designation of Assured Water Supply

A. A municipal provider applying for a designation of assured water supply shall submit an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R-12-103(C) and provide the following:

1. No change

2. No change

3. No change

4. No change

5. No change

6. No change

B. No change

1. No change

2. No change

C. No change

D. No change

1. No change

2. No change

3. No change

4. No change

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- 5. No change
- E. No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
 - 7. No change
- F. No change

R12-15-712. Analysis of Adequate Water Supply

- A. No change
- B. An applicant for an analysis shall submit an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C), and attach the following:
 - 1. No change
 - 2. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change
 - 3. No change
- C. No change
- D. No change
- E. No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
- F. No change
 - 1. No change
 - 2. No change
- G. No change
- H. No change
 - 1. No change
 - 2. No change
 - 3. No change
- I. No change
- J. No change

R12-15-713. Water Report

- A. No change
- B. An applicant for a water report shall submit an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C) and provide the following:
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
- C. No change
- D. No change
 - 1. No change
 - 2. No change
- E. No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change

Notices of Exempt Rulemaking

- F.** No change
- G.** No change
- H.** No change
 - 1. No change
 - 2. No change
- I.** No change
- J.** No change

R12-15-714. Designation of Adequate Water Supply

- A.** A municipal provider applying for a designation of adequate water supply shall submit an application on a form prescribed by the Director with the initial fee required by ~~R12-15-730~~ R12-15-103(C) and the following:
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
- B.** A city or town, other than a municipal provider, that is applying for a designation shall submit an application on a form prescribed by the Director with the initial fee required in ~~R12-15-730~~ R12-15-103(C), and provide the following:
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
- C.** No change
 - 1. No change
 - 2. No change
- D.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
- E.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
- F.** No change
- G.** No change

R12-15-730. ~~Assured and Adequate Water Supply Fees Repealed~~

- ~~**A.** With respect to an application listed in subsection (B) of this Section, the Director shall accept or take action on the application only upon payment of the applicable fee as listed.~~
- ~~**B.** An applicant shall pay the following fees, as applicable:~~

APPLICATION	FEE (\$)
1. Certificate	3000.00 for the first 20 lots; 3.00 for each additional lot; maximum 5000.00
2. Assignment of certificate issued after effective date of this Section	None
3. Reissuance of certificate issued after effective date of this Section, pursuant to R12-15-704(G)	None
4. Assignment of certificate issued before effective date of this Section, with or without request for classification as Type A certificate	250.00 for the first 20 lots; 0.50 for each additional lot; maximum 1000.00

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5. Reissuance of certificate issued before effective date of this Section, pursuant to R12-15-704(G)	250.00 for the first 20 lots; 0.50 for each additional lot; maximum 1000.00
6. Classification as Type A, for certificate issued before the effective date of this Section (not included in assignment application)	250.00 for the first 20 lots; 0.50 for each additional lot; maximum 1000.00
7. Material plat change review	250.00
8. Designation or modification of designation that includes evaluation of physical, legal, and continuous availability or consistency with management goal	1000.00 for the first 1000 acre feet; 0.50 for each additional acre-foot; maximum 10,000.00
9. Modification of designation that does not include evaluation of physical, legal, and continuous availability or consistency with management goal	500.00
10. Water report	900.00 for the first 20 lots; 2.00 for each additional lot; maximum 2000.00
11. Analysis	7500.00
12. Physical availability determination	5000.00

ARTICLE 8. WELL CONSTRUCTION AND LICENSING OF WELL DRILLERS

R12-15-806. License Fee; Issuance and Term of Licenses; Renewal; Display of License

- A. The fee for a well driller's license shall be ~~fifty dollars~~ \$50.00. ~~No additional fee shall be charged for amendments to licenses pursuant to subsection (B).~~
- B. Upon submittal of the license fee and satisfactory completion of an examination, the Director shall issue the applicant a well drilling license. The license shall be numbered and shall state the specialized classifications of drilling activities for which the applicant is qualified and licensed. The applicant shall be licensed in only those classifications for which the qualifying party has passed the specialized sections of the examination. If the qualifying party subsequently passes other specialized sections, the applicant's license shall be amended upon submittal of a license fee of \$50.00.
- C. No change
- D. No change
- E. A person may renew a well drilling license by submitting an application for renewal on forms prescribed and furnished by the Director. The renewal fee shall be ~~ten dollars~~ \$50.00. If the application and renewal fee are postmarked on or before June 30, the well drilling contractor may operate as a licensee until actual issuance of the renewal license. A license which has expired may be reactivated and renewed within one year of its expiration by filing the required application and ~~20 dollars~~ a fee of \$50.00. If a license has been expired for one or more years for failure to renew, the well drilling contractor shall apply for a new license and repeat the examination.
- F. No change

ARTICLE 12. DAM SAFETY PROCEDURES

R12-15-1208. Application to Construct, Reconstruct, Repair, Enlarge, or Alter a High or Significant Hazard Potential Dam

- A. An application package to construct, reconstruct, repair, enlarge, or alter a high or significant hazard potential dam shall include the following prepared by or under the supervision of an engineer as defined in R12-15-1202(11).
 1. No change
 2. No change
 3. An initial application fee based on the total estimated project cost and computed in accordance with A.R.S. § 45-1204 and ~~R12-15-151(B)(11)~~ R12-15-104(A)(7).
 4. No change
 5. No change
 6. No change
 7. No change
 8. No change
 9. No change
 10. No change
- B. No change

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1. No change
2. No change
3. No change

R12-15-1210. Application to Construct, Reconstruct, Repair, Enlarge, Alter, Breach, or Remove a Low Hazard Potential Dam

- A.** An application package to construct, reconstruct, repair, enlarge, or alter a low hazard potential dam shall include the following prepared by or under the supervision of an engineer as defined in R12-15-1202(11):
1. No change
 2. An initial application fee based on the total estimated project cost, computed in accordance with A.R.S. § 45-1204 and ~~R12-15-151(B)(11)~~ R12-15-104(A)(7).
 3. No change
 4. No change
 5. No change
 - a. No change
 - b. No change
 - c. No change
 6. No change
 7. No change
 8. No change
 9. No change
 10. No change
 11. No change
- B.** An application package for the breach or removal of a low hazard potential dam shall include the following:
1. No change
 - a. No change
 - b. No change
 - c. No change
 2. An initial application fee based on the total estimated project cost and computed in accordance with A.R.S. § 45-1204 and ~~R12-15-151(B)(11)~~ R12-15-104(A)(7).
 3. No change
 - a. No change
 - b. No change
 - i. No change
 - ii. No change
 - iii. No change
 - c. No change
 4. No change
- C.** No change
- D.** No change
1. No change
 2. No change
- E.** No change
- F.** No change
- G.** Within 90 days after completing construction, reconstruction, repair, enlargement, or alteration of a low hazard potential dam, the owner shall file the following:
1. No change
 2. An additional fee or refund request computed in accordance with A.R.S. § 45-1209 and ~~R12-15-151(B)(11)~~ R12-15-104(A)(7), based on the actual cost of construction, reconstruction, repair, enlargement, or alteration.
 3. No change
 - a. No change
 - b. No change
 - c. No change
 4. No change
- H.** No change
1. No change
 2. No change
 3. No change
 4. No change
- I.** Within 90 days after completing removal of a low hazard potential dam, the owner shall file the following. The Director

Notices of Exempt Rulemaking

shall remove the dam from jurisdiction upon approval of the submittal.

1. No change
2. An additional fee or refund request computed in accordance with A.R.S. § 45-1209 and ~~R12-15-151(B)(11)~~ R12-15-104(A)(7) based on the actual cost of removal.
3. No change
4. No change

J. No change

R12-15-1211. Application to Construct, Reconstruct, Repair, Enlarge, Alter, Breach, or Remove a Very Low Hazard Potential Dam

A. An application package to construct, reconstruct, repair, enlarge, or alter a very low hazard potential dam shall include the following prepared by an engineer or a person under the supervision of an engineer as defined in R12-15-1202(11):

1. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change
 - e. No change
2. No change
3. No change
4. An initial application fee based on the total estimated project cost and computed in accordance with A.R.S. § 45-1204 and ~~R12-15-151(B)(11)~~ R12-15-104(A)(7).
5. No change
6. No change
 - a. No change
 - b. No change
 - c. No change
7. No change
8. No change
9. No change

B. No change

C. No change

D. No change

1. No change
2. No change

E. No change

F. No change

G. Within 90 days after completion of the construction, reconstruction, repair, enlargement, or alteration of a very low hazard potential dam, the owner shall file the following:

1. No change
2. An additional fee or refund request computed in accordance with A.R.S. § 45-1209 and ~~R12-15-151(B)(11)~~ R12-15-104(A)(7) based on the actual cost of construction, reconstruction, repair, enlargement, or alteration.
3. No change
 - a. No change
 - b. No change
 - c. No change
4. No change

H. No change

1. No change
2. No change
3. No change

I. No change

J. No change

K. No change

R12-15-1213. Completion Documents for a Significant or High Hazard Potential Dam

Within 90 days after completion of the construction or removal work for a significant or high hazard potential dam and final inspection by the Department, the owner shall file the following:

1. No change
2. An additional fee or refund request based on the actual cost of the construction, computed in accordance with A.R.S.

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§ 45-1209 and ~~R12-15-151(B)(1)~~ R12-15-104(A)(7).

3. No change
4. No change
5. No change
6. No change
7. No change
8. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change

R12-15-1219. Safety Inspections; Fees

- A. Except as provided in subsection (E), the Director shall conduct a dam safety inspection annually or more frequently for each high hazard potential dam, triennially for each significant hazard potential dam, and once every ~~5~~ five years for each low and very low hazard potential dam. An owner of a dam shall pay the inspection fee required by R12-15-106 for each inspection of the dam pursuant to this subsection.
- B. No change
 1. No change
 2. No change
 3. No change
- C. No change
 1. No change
 2. No change
 3. No change
 4. No change
 5. No change
- D. No change
- E. Inspections by the Owner
 1. No change
 2. No change
 3. A safety inspection report submitted pursuant to this subsection shall include the fee required by R12-15-106(C).
- F. No change
 1. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change
 2. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change
 3. No change
 4. No change

NOTICE OF EXEMPT RULEMAKING

TITLE 15. REVENUE

CHAPTER 5. DEPARTMENT OF REVENUE
TRANSACTION PRIVILEGE AND USE TAX SECTION

Editor's Note: The following Notice of Exempt Rulemaking is exempt from Laws 2009, 3rd Special Session, Ch. 7, § 28. (See the text of § 28 at 15 A.A.R. 1942, November 20, 2009.)

[R10-89]

PREAMBLE

- 1. Sections Affected**
R15-5-2206
- Rulemaking Action**
New Section
- 2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
Authorizing statute: Laws 2010, 7th Special Session, Ch. 12, § 41
Implementing statute: Laws 2010, 7th Special Session, Ch. 12, § 41
- 3. The effective date of the rules:**
June 15, 2010
- 4. A list of all previous notices appearing in the Register addressing the exempt rule:**
None
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
Name: Christie Comanita
Address: Department of Revenue
1600 W. Monroe St.
Phoenix, AZ 85007
Telephone: (602)716-6803
Fax: (602)716-7995
E-mail: ccomanita@azdor.gov
- 6. An explanation of the rule, including the agency's reasons for initiating the rule, including the statutory citation to the exemption from the regular rulemaking procedures:**
This rule is intended to implement the provisions of Laws 2010, 7th Special Session, Ch. 12, § 41 and to provide guidance to those persons wishing to obtain a transaction privilege tax license. These rules are exempt from the rule-making requirements of A.R.S. Title 41, Chapter 6 by Laws 2010, 7th Special Session, Ch. 12, § 41.
- 7. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**
The Department did not review any study relevant to the rule.
- 8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable
- 9. The summary of the economic, small business, and consumer impact:**
These rules are exempt from the rulemaking requirements of A.R.S. Title 41, Chapter 6 by Laws 2010, 7th Special Session, Ch. 12, § 41.
- 10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):**
Not applicable
- 11. A summary of the principal comments and the agency response to them:**
Not applicable
- 12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
None

Notices of Exempt Rulemaking

13. Any material incorporated by reference and its location in the text:

None

14. Was this rule previously made as an emergency rule and, if so, whether the text was changed between making as an emergency and the making of the exempt rules?

No

15. The full text of the rules follows:

TITLE 15. REVENUE

**CHAPTER 5. DEPARTMENT OF REVENUE
TRANSACTION PRIVILEGE AND USE TAX SECTION**

ARTICLE 22. TRANSACTION PRIVILEGE TAX – ADMINISTRATION

Section

R15-5-2206. License Fee; Renewal Fee

ARTICLE 22. TRANSACTION PRIVILEGE TAX – ADMINISTRATION

R15-5-2206. License Fee; Renewal Fee

- A.** Beginning June 15, 2010, the fee for obtaining a transaction privilege tax license, required pursuant to A.R.S. § 42-5005, shall be \$40.00.
- B.** Taxpayers who have a valid transaction privilege tax license in effect prior to July 1, 2009, shall pay a one-time license renewal fee of \$40.00.
- C.** A person engaged in or conducting business at two or more locations or under two or more business names and that files a consolidated return under a single transaction privilege tax license number as provided by A.R.S. § 42-5020, shall only be required to pay a single license renewal fee of \$40.00.
- D.** The Department shall invoice the taxpayer for the renewal fee. The license renewal fee shall be paid with the payment voucher provided by the Department. The renewal fee shall be due two weeks from the date of the invoice notice.
- E.** The Department shall cancel the license if the renewal fee is not paid.